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Before the  
FEDERAL COMMUNICATIONS COMMISSION  
Washington, D.C. 20554

SEP 12 1994  
FEDERAL COMMUNICATIONS COMMISSION  
OFFICE OF THE SECRETARY

In the Matter of:

Equal Access and Interconnection  
Obligations Pertaining to  
Commercial Mobile Radio Services

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CC Docket No. 94-54  
RM-8012

COMMENTS

W. Bruce Hanks  
President  
CENTURY CELLUNET, INC.  
100 Century Park Avenue  
Monroe, LA 71203  
(318) 325-3600

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### Summary

Century strongly opposes the Commission's tentative conclusion that equal access requirements should be extended to all cellular carriers. This tentative conclusion rests on indefensible assumptions regarding the costs and benefits of equal access, the scope of the regulatory parity mandate in Section 332, and the competitiveness of the CMRS marketplace.

Costs and benefits. Cellular equal access would create tremendous costs for small and mid-sized carriers such as Century. Century estimates that to implement equal access, it would have to upgrade software, replace switches, add trunks, develop balloting procedures and launch customer education campaigns at a total initial cost of \$13 million -- one-and-a-half times Century's 1993 net income from cellular operations. Ongoing equal access administration costs would run more than \$200,000 each year.

Century's per-subscriber costs of implementing and administering equal access would be far higher than those faced by the top ten cellular carriers, which enjoy economies of scale from larger and more geographically concentrated subscriber bases. In addition, these larger carriers are much better able to bear implementation expenses. Century Telephone Enterprises enjoyed revenues of \$433 million in 1993 (\$8.8 million, or two percent, from wireless); the BOCs with the most extensive wireless operations, BellSouth and

Southwestern Bell, generated this much revenue every 10 days and every 2 weeks, respectively.

Notwithstanding these costs, equal access would not engender any offsetting consumer benefits:

- It would not increase choice because cellular customers already may access their preferred IXC through 1-800, 950, or calling card arrangements, and speed dialing capabilities on many cellular phones make doing so no more burdensome than 1+ dialing.
- It would not lower long distance rates because IXCs already can and do market their services to cellular subscribers in non-equal access areas and offer discounts based on combined cellular long distance and landline usage.
- It would not allow IXCs to spread fixed costs over an appreciably larger subscriber base because cellular long distance usage accounts for no more than 0.5 percent of long distance calls. Moreover, interstate usage in RSAs and smaller MSAs served by Century and other mid-sized carriers is less, in relative and absolute terms, than usage in the larger MSAs that already are subject to equal access.
- It would not respond to unfulfilled marketplace demand because there is no indication whatsoever that cellular subscribers want equal access, or that equal access confers any competitive benefit where it is available.

In fact, equal access would harm consumers. It would cause long distance rates to increase for subscribers to the popular wide-area calling plans offered by Century and other cellular carriers. Furthermore, by forcing mid-sized and small carriers to divert resources to equal access implementation, it would impede their ability to expand coverage, introduce enhanced service offerings, deploy

digital technology, and compete with new wireless entrants. In short, cellular equal access, particularly for mid-sized and smaller carriers, cannot be justified by any rational cost/benefit analysis.

Regulatory parity. Nor can cellular equal access legitimately be justified by a desire to promote regulatory parity between landline and wireless services or between BOC and non-BOC cellular services. Section 332 does not mandate equal treatment of wireline and mobile services, and such parity would ignore major differences in historical market power. Similarly, requiring parity between BOC and non-BOC cellular services would allow the MFJ to dictate communications policy, notwithstanding the adverse consequences for mid-sized cellular carriers and their customers. Even if parity between the BOCs and their competitors could be justified on policy grounds, it would not be advanced by extending equal access to mid-sized and smaller carriers. In only three of the 36 markets in which Century operates the cellular carrier does it compete against a BOC.<sup>1</sup>

Competition in the marketplace. Century strongly disagrees with the Commission's continuing characterization of the cellular marketplace as less than fully competitive. The Commission need not alter its analysis, however, to

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<sup>1</sup> In another three markets, Century competes against Air Touch.

recognize that the imminent entry of ESMRs and up to six new PCS providers in each cellular market will rapidly ameliorate any perceived market failures. Indeed, Century estimates that implementing equal access in most of its markets would take two years or longer in any event -- meaning that by the time equal access was available, the asserted reasons for its existence would have evaporated.

Plainly, equal access would impose massive and unwarranted burdens on mid-sized and smaller cellular companies and disadvantage their subscribers. If the Commission nonetheless adopts a cellular equal access requirement, it must take several steps to minimize the negative impact on competition and consumers:

- It must apply equal access to all broadband CMRS providers in order to avoid imposing an unjustified competitive handicap on the cellular industry.
- It must adopt uniform and expansive local service areas for all broadband CMRS in order to preserve the benefits of wide-area calling plans and allow fair competition.
- It should mandate equal access only for the top 50 MSAs and equivalent PCS service areas, require equal access in other areas only upon bona fide request, and allow carriers at least two years to satisfy such requests and to seek waivers where equal access would be economically or technically infeasible.
- It should state that equal access applies only to long distance calls originated by a CMRS subscriber in his or her home market; equal access for roamers and call hand-off would be technically difficult or impossible and prohibitively expensive.
- Most fundamentally, it must allow CMRS providers to recover the full costs of implementing and

administering equal access from the IXC's who would be the sole beneficiaries of the new requirement, and to realize access revenues for originating and terminating long distance calls for IXC's.

Even if the Commission takes these steps, consumers will be worse off than if equal access were limited to the landline marketplace, where it belongs. Accordingly, Century urges the Commission simply to abandon its plans to impose equal access on cellular carriers specifically or on CMRS providers generally.

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COMMENTS

Century Cellunet ("Century") hereby submits its comments regarding the Notice of Proposed Rulemaking and Notice of Inquiry ("Notice") in the above-captioned proceeding.<sup>1</sup> As discussed below, Century strongly opposes the extension of equal access obligations to CMRS providers.<sup>2</sup>

I. STATEMENT OF INTEREST

Century Cellunet is a subsidiary of Century Telephone Enterprises, Inc., a mid-sized telephone company headquartered in Monroe, Louisiana. Century serves approximately 200,000 cellular subscribers in nine states. Most of Century's 36 operating markets (and 21 other markets where Century has a non-controlling interest) cover predominantly rural areas of Michigan, Wisconsin, Arkansas, Texas, Louisiana, and Mississippi.

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<sup>1</sup> FCC 94-145 (released July 1, 1994).

<sup>2</sup> Century may address the interconnection and resale issues raised in other portions of the Notice in its reply comments.



In this proceeding, the Commission is proposing to extend equal access obligations, for the first time, to carriers that operate in a vigorously competitive marketplace. Century has a direct interest in this proposal because it would be heavily burdened by such requirements. Indeed, although Century does not believe equal access is warranted for any CMRS providers, compliance with such obligations would be particularly oppressive for small and medium-sized cellular carriers.

To understand the harsh impact of equal access obligations on smaller providers, Century urges the Commission to consider the following:

- Century estimates its initial costs of implementing equal access (excluding ongoing expenses) to be roughly \$13 million, or 1.5 times its 1993 net income from cellular operations.
- The BOCs, which already have implemented equal access, faced far lower per-subscriber implementation costs because of economies of scale associated with larger, more geographically concentrated subscriber bases.
- The two BOCs with the most extensive wireless operations are Southwestern Bell and BellSouth. Looking at total 1993 revenues, which are relevant to overall corporate ability to bear the costs of implementing equal access, Southwestern Bell earned roughly every two weeks as much as Century Telephone Enterprises earned in the entire year. BellSouth realized Century's annual revenues every ten days.<sup>3</sup>

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<sup>3</sup> Century Telephone Enterprises achieved 1993 revenues of \$433 million. Southwestern Bell had 1993 revenues of \$10.7 billion and BellSouth had 1993 revenues of approximately \$16 billion.

As these comparisons demonstrate, whatever the merits of equal access for larger CMRS providers -- and Century believes there are none -- imposing such obligations on smaller and medium-sized carriers would create tremendous and unwarranted burdens. Accordingly, Century is participating in this proceeding to protect its ability to provide service to the public free from intrusive and unjustified regulation.

**II. THERE IS NO BASIS FOR EXTENDING EQUAL ACCESS REQUIREMENTS TO CMRS PROVIDERS GENERALLY, AND TO SMALL AND MEDIUM-SIZED CMRS PROVIDERS IN PARTICULAR.**

The Commission's proposal to extend equal access obligations to cellular carriers, and its inquiry regarding imposition of those requirements on other CMRS providers, is based on a three grievously erroneous assumptions:

- That equal access for cellular will yield significant consumer benefits,<sup>4</sup> and that these benefits will outweigh the associated costs.<sup>5</sup>
- That it is appropriate or desirable to impose equal access on cellular providers in order to foster regulatory parity between wireline and wireless services<sup>6</sup> and between BOC-affiliated and non-BOC affiliated cellular carriers.<sup>7</sup>
- That the cellular marketplace is not workably competitive, and that equal access consequently is

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<sup>4</sup> Notice at ¶¶ 36-39.

<sup>5</sup> Id. at ¶ 42.

<sup>6</sup> Id. at ¶ 3.

<sup>7</sup> Id. at ¶ 39.

warranted even though additional competition is imminent.<sup>8</sup>

These assumptions, particularly as applied to smaller and mid-sized cellular carriers, cannot withstand analysis.

A. The Costs of Cellular Equal Access, Particularly for Small and Medium-Sized Carriers, Plainly Outweigh the Speculative Benefits, Which Are Unlikely To Be Realized in any Event.

1. Cellular Equal Access Would Impose Substantial Costs.

The Commission recognizes that imposing equal access requirements on cellular carriers would engender costs in several areas, including software upgrades, replacement of switches, interconnection upgrades, customer education, and development and administration of presubscription procedures.<sup>9</sup> It is not apparent, however, that the Commission appreciates the full magnitude of these costs, or the burden they would impose on smaller and mid-sized carriers such as Century.

Century estimates that its initial costs of implementing equal access would total at least \$12,803,750, broken down as follows:

- Software upgrades. Century would need to upgrade software in 4 switches, at a per-switch cost of \$51,000, for a total cost of \$204,000.

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<sup>8</sup> Id. at ¶ 33.

<sup>9</sup> Id. at ¶ 40.

- Switch replacement. Seven of Century's switches are not capable of providing equal access even with software upgrades. Five of these switches would need to be replaced, and two re-homed, at an aggregate cost of \$12 million.
- Changes to service order system. Implementing equal access would require Century to modify its service order system to process carrier and customer requests and update switches to reflect changes. The associated costs, which are attributable primarily to software development, would be approximately \$99,750.
- Development of balloting procedures. Century estimates its costs of developing and implementing balloting procedures (if required) would be \$380,000. This figure is derived from the costs Century's telephone affiliates incurred in implementing balloting for landline services and discussions with outside vendors.
- Customer education and employee training. Costs of informing subscribers of new equal access procedures, employee training, and materials would be approximately \$120,000.
- Deployment of extra trunks. In addition, Century would need to deploy additional trunks between tandem offices to which its MTSOs are interconnected and IXC POPs. Century cannot estimate the cost of doing so at this time.

In addition to these implementation costs, Century estimates that its ongoing costs of administering equal access would be approximately \$208,200 per year. This cost is attributable to compensation for additional technical and customer service personnel and increased expenses paid to Century's billing vendor for processing and transmitting customer changes in presubscribed long distance carriers.

Century also urges the Commission to recognize the disparate impact of these equal access implementation costs

total equal access implementation costs represent 15 percent of its 1993 revenues from cellular service, and 150 percent of its 1993 net income from cellular operations. In contrast, equal access implementation costs for larger carriers will be a much lower percentage of revenues and net income, for several reasons.

Larger carriers, such as the BOCs, typically use switches that were capable of providing equal access without major upgrades or replacement. In addition, larger carriers serve a higher proportion of MSAs, and particularly major cities within MSAs, where the revenue base per switch is higher. Indeed, the economies of scale engendered by serving larger and more geographically concentrated subscriber bases generate significant cost savings that are unavailable to smaller, more rural carriers.

In short, cellular carriers of Century's size possess neither the financial resources nor the market power to warrant imposition of equal access obligations, and they should not be expected to bear the associated costs.<sup>10</sup> Moreover, as the next section explains, equal access would produce no appreciable consumer benefits. Consequently, cellular equal access, particularly for smaller and mid-sized

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<sup>10</sup> As Century explains in Section III of these Comments, if the Commission nonetheless decides to impose cellular equal access requirements, it must adopt a mechanism under which cellular carriers can fully recover from long distance carriers their costs of implementing and administering the new regulatory requirements.

carriers, cannot be justified under any rational cost/benefit analysis.

2. Cellular Equal Access Would Produce No Consumer Benefits.

The Notice suggests that equal access would benefit consumers by increasing choice and improving access to long distance networks, and possibly by reducing long distance rates paid by cellular subscribers. As discussed below, these assumptions cannot withstand scrutiny. In reality, cellular equal access would harm consumers by increasing rates in many cases and diminishing the ability of smaller cellular carriers to improve their networks and compete against other wireless service providers.

Customer choice and access to long distance networks.

The Notice apparently presumes that many cellular customers cannot currently access any long distance carrier other than the one selected by the cellular service provider.<sup>11</sup> This premise is wholly erroneous. Century does not block 1-800, 950, or calling card access to any long distance carrier, and it is not aware of any cellular carrier that does so. Accessing long distance carriers through such mechanisms is no more burdensome than 1+ dialing, given the speed calling features available on cellular telephones. Accordingly,

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<sup>11</sup> Notice at ¶¶ 36-38.

equal access will not meaningfully improve customer choice or access to long distance networks.

Effect on long distance rates. The Notice speculates that cellular equal access could lower long distance rates by creating incentives for IXCs to compete for cellular long distance traffic, allowing IXCs to include cellular traffic in discount plans, and enabling them to spread recovery of fixed costs over a greater number of minutes.<sup>12</sup> There is no basis for any of these conclusions.

As an initial matter, IXCs can and do compete for cellular long distance traffic now, and can and do include cellular traffic in discount plans. When a customer uses 1-800 or calling card access to reach a preferred IXC, that carrier can offer cellular-based or combined cellular-and-wireline discounts. Indeed, Century understands that AT&T already offers a plan under which calling card traffic from cellular users is combined with other traffic in determining long distance discounts.

In addition, even if equal access produced some additional traffic for some long distance carriers, the amount at stake is so small that it would have no impact on rates -- particularly when the long distance rates of the major carriers are heading up rather than down. Century

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<sup>12</sup> Id.

understands that cellular interstate long distance traffic accounts for no more than one half of one percent of total long distance usage. There is simply no way that enough customers would shift IXCs, particularly when losses and gains are netted out, to have any appreciable impact on the IXC customer base over which fixed costs would be spread.

In fact, cellular equal access actually would increase long distance rates for many cellular customers. Century currently offers interstate wide-area calling plans under which customers pay a "local" cellular calling rate for service within a broad geographic area. For example, all calling within and among the Texarkana MSA, Arkansas RSA 11, and Texas RSA 7B-6 -- an area encompassing four LATAs -- is toll-free to Century subscribers, who pay only cellular air-time charges. In contrast, AT&T's standard rates for toll service average 21 cents per minute, resulting in a large increase to subscribers if equal access were mandated. Equal access would force Century to disaggregate an arbitrarily-defined "long distance" portion of these calls, compelling customers to pay both standard air-time rates plus IXC charges where they are paying only air-time charges today.

Equal access also would harm consumers in other ways. Particularly for mid-sized carriers such as Century, the tremendous investment needed to implement equal access would compromise the ability to expand coverage, deploy digital technology, develop enhanced service offerings, and improve



service quality. Furthermore, the diversion of resources to cellular equal access will impair the ability of mid-sized cellular carriers to compete against new wireless entrants, many of which will be providing service over wide-area, digital systems from the outset. As a result, equal access would undermine the Administration's and the FCC's commitment to a national information infrastructure offering ubiquitous access to advanced, high quality, competitively provided telecommunications services.

Against this background, it is not at all surprising that there has been no appreciable demand for equal access from cellular customers. As Century explained to the Commission in its Opposition to MCI's petitions for rulemaking on cellular equal access:

[M]arketing contacts with potential, existing and former cellular customers have indicated that these customers are concerned primarily with the following cellular service features: (1) an extensive coverage area; (2) sufficient channel capacity to minimize blocked calls; (3) a clear and high quality signal; (4) the ability to roam on other systems; and (5) a reasonable total monthly bill. ... In contrast, only a handful of .. customers .. have made cursory inquiries as to whether they could presubscribe to an IC. Virtually all of these inquiries were made at the time that the local wireline telephone company was converting to equal access.<sup>14</sup>

This experience remains valid. Century estimates that no more than a handful of its 200,000 subscribers have ever inquired about equal access, and none has requested

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<sup>14</sup> Opposition to Petition for Rulemaking filed by the "Opposing Parties", RM-8012, filed Sept. 2, 1992, at 4-5.

presubscription or taken service from a different cellular carrier because Century does not offer equal access.

The lack of demand for equal access is confirmed by the experience of the BOCs, which are the only cellular companies currently required to provide equal access. As of the end of 1993, equal access was available from one or both licensees in at least 42 of the top 50 MSAs and numerous smaller markets covering the vast majority of the U.S. population.<sup>14</sup> However, Century is aware of no evidence that the availability of equal access in those markets benefitted consumers or yielded a competitive advantage to the carrier offering it. Indeed, in the markets where Century competes against a BOC, the availability of equal access from the BOC is of no competitive significance -- in fact, in many of these markets, Century has a greater market share. This experience is directly contrary to what would be expected if equal access were a significant concern for customers, and confirms that cellular customers simply do not care whether they can presubscribe to a long distance carrier.

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Equal access would be exceptionally costly for mid-sized cellular carriers to implement, would produce no offsetting consumer benefits, and would not respond to any unfulfilled

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<sup>14</sup> If approval of the AT&T/McCaw merger is conditioned on implementation of equal access, then Century believes that only three of the top 50 MSAs -- San Juan, Norfolk, and Greensboro -- will not support equal access.

marketplace demand. Under these circumstances, the Commission should reject its tentative conclusion and decline to impose equal access requirements on cellular carriers.

B. The Commission Should Not Consider Regulatory Parity Between Wireline and Wireless Services or Between BOCs and non-BOCs in Deciding Whether To Adopt CMRS Equal Access Requirements.

Notwithstanding the fact that cellular equal access cannot be vindicated under any rational cost/benefit analysis, the Commission suggests that such obligations may be justified on grounds of regulatory parity between wireline and wireless services and between BOC and non-BOC cellular affiliates. This suggestion is legally insupportable and contrary to public policy.

As an initial matter, Section 332 of the Communications Act explicitly seeks to promote regulatory parity only among mobile services. Nowhere does it expressly or implicitly suggest that regulatory parity between mobile and landline services is required or even desirable. Indeed, there is no basis for seeking to promote parity between landline services, which historically have controlled bottleneck facilities, and wireless services, which face substantial and growing competition. In such circumstances, consistency of regulation would be arbitrary and indefensible.

Nor does Section 332 compel regulatory parity between BOC and non-BOC cellular carriers. Equal access obligations

were imposed on the BOCs' cellular operations by the Modified Final Judgment, which was a voluntarily-entered settlement of antitrust charges stemming from past conduct by the Bell System. In imposing those obligations, the Justice Department and antitrust court did not consider the broader public policy ramifications of cellular equal access or the impact of such requirements on the remainder of the cellular industry, including smaller carriers. The Commission must not allow an antitrust consent decree to dictate regulatory policy for the diverse and intensely competitive CMRS industry.<sup>15</sup> Rather, the marketplace should be allowed to operate unfettered. If there is a demand for equal access -- and as indicated above, Century does not believe this is the case -- then competition will dictate its availability.

C. The Cellular Marketplace Is Vibrantly Competitive, and Will Become Even More So in the Near Future.

Century commends the Commission for recognizing that "imposition of equal access obligations when the service provider does not possess market power may not be in the

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<sup>15</sup> Even if regulatory parity between BOC and non-BOC affiliates were potentially a justification for extending equal access requirements to some cellular carriers, this rationale would rarely apply to smaller and mid-sized cellular carriers such as Century. Century competes against a BOC or McCaw in only 6 of the 36 markets in which it controls the cellular operator (and against Air Touch in three others).

public interest."<sup>16</sup> In a competitive marketplace, equal access obligations saddle service providers with significant, unnecessary costs and inflate prices for consumers.

The Commission persists, however, in characterizing the cellular marketplace as less than fully competitive, and this perception apparently underlies its receptiveness to cellular equal access notwithstanding the lack of consumer benefits. Century respectfully submits that the Commission's analysis cannot be reconciled with the vigorous rivalry Century faces in each of its service areas from another licensee striving to gain market share by competing on price, coverage, service quality, and ancillary offerings. Even if the Commission believes price competition is not as vigorous as it could be -- a position with which Century strongly disagrees -- there certainly is enough competition on other factors that if there were any appreciable demand for equal access, providers would voluntarily offer it.

Moreover, even if the Commission's characterization of the cellular marketplace were correct, and even if it does not accept Century's cost/benefit analysis, it must consider that additional competition from ESMRs and as many as six broadband PCS providers in each market is certain within the next two years. Simply deploying equal access capabilities in many cellular markets could take two years or more,

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<sup>16</sup> Id. at ¶ 34.

meaning that the basis for imposing such requirements will have evaporated before they can be discharged. In the interim, of course, cellular carriers will have been forced to spend millions of dollars that otherwise counsel have been employed to expand coverage, enhance service offerings, and implement digital technology. Accordingly, in answer to the Commission's query, the advent of new CMRS services should indeed alter its tentative conclusion to impose equal access obligations on cellular providers.<sup>17</sup>

**III. IF THE COMMISSION NONETHELESS IMPOSES EQUAL ACCESS OBLIGATIONS ON CELLULAR CARRIERS, IT MUST MINIMIZE THE ADVERSE CONSEQUENCES FOR COMPETITION AND CONSUMERS.**

As the preceding section established, there is no legal, factual or policy basis for imposing equal access requirements on mid-sized and smaller cellular carriers. If the Commission nonetheless dictates that equal access apply to such carriers -- a decision that Century believes would be directly contrary to the public interest -- it must take several steps to assure fair competition and protect consumers:

First, the Commission must assure regulatory parity among all broadband CMRS providers.<sup>18</sup> While Century believes that a uniform CMRS equal access requirement will leave

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<sup>17</sup> Notice at ¶ 43.

<sup>18</sup> See Notice at ¶ 45.

consumers worse off than uniform forbearance from equal access, the worst outcome for consumers and competition would be to impose equal access obligations only on the cellular industry. Disparate regulation would place cellular carriers at a grave disadvantage, foreclosing them from competing to meet the end-to-end service needs of mobile consumers and, in effect, levying a discriminatory tax on one class of service providers solely because of their incumbency.

It is not enough, however, for the Commission to extend equal access requirements to all broadband CMRS providers. If the Commission commits to equal access, it must also commit to ensuring that the same equal access obligations apply to all carriers. In particular, the Commission must require that the "local service area" be identical for all affected services.<sup>19</sup> If cellular carriers had to provide equal access across MSA or RSA boundaries or LATAs, while PCS carriers bore an equal access obligation only for calls across MTA boundaries, cellular carriers would be no less disadvantaged than if they alone were subject to equal access requirements.<sup>20</sup> Accordingly, to assure fair competition and

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<sup>19</sup> Id. at ¶ 65.

<sup>20</sup> In any event, Century seriously doubts that the FCC has authority to impose equal access requirements for cross-MSA, -RSA, or -LATA calls because such communications are generally intrastate. See 47 U.S.C. §§ 152(b), 221. In addition, MSAs, RSAs, and LATAs bear no relation to mobile subscriber calling patterns and therefore are ill-suited for use in defining local service areas.

preserve the benefits of wide-area calling,<sup>21</sup> the Commission should adopt an expansive and uniform local service area for all broadband CMRS services.

Second, the Commission should make equal access mandatory only for carriers operating in the 50 largest MSAs and equivalent PCS service areas. In all other areas, the costs of equal access will be far higher on a per-subscriber basis, and they will be borne in many cases by mid-size and smaller carriers that are unable to make the requisite financial commitment.

Outside the 50 largest MSAs and equivalent PCS service areas, equal access should be made available only upon bona fide request, and CMRS providers must be given a reasonable time to satisfy the request. Century estimates that implementing equal access in many smaller MSAs and RSAs could take two years or more. Accordingly, the Commission should state that satisfaction of requests for equal access within two years will be considered reasonable, and should give CMRS providers the opportunity to demonstrate that a longer period is necessary. In addition, service providers in these areas should be permitted to seek waivers of equal access obligations on the basis that equal access is technically or economically infeasible.<sup>22</sup>

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<sup>21</sup> See Notice at ¶ 66.

<sup>22</sup> See Notice at ¶¶ 54, 55.



Third, the Commission should state that equal access applies only to long distance calls placed by a CMRS subscriber in his or her home service area, the situation that most closely parallels the landline context.<sup>23</sup> In other potential applications -- including long distance calls placed by and delivered to roamers and call hand-off across local service area boundaries -- the technical complexity and cost of providing equal access would skyrocket. Indeed, for call hand-off, the MFJ court has granted waivers recognizing the impossibility of providing equal access.

Fourth, and of critical importance, the Commission must establish a mechanism for cellular carriers to recover their full costs of network upgrades and reconfiguration, balloting, customer education, and ongoing administration before mandating compliance with equal access obligations.<sup>24</sup> The Commission also must permit cellular carriers to realize access revenues for originating and terminating long distance calls for IXC's, as LECs do in the landline marketplace. Small and mid-sized carriers such as Century cannot afford to pass on such costs to their customers, and if forced to swallow equal access-related costs itself, Century would have to defer expansion and diminish service quality. The only

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<sup>23</sup> Regardless of the Commission's view of the competitiveness of the cellular industry, there can be no justification for imposing greater equal access obligations on CMRS providers than on landline telephone companies.

<sup>24</sup> See Notice at ¶ 95.